

September 16, 2002

To: Mineral Management Service

From: Jeff Springmeyer  
Geophysical Pursuit, Inc.  
President

Geophysical Pursuit, Inc. (GPI) is a private seismic firm formed in 1984 to acquire seismic on a speculative basis.

We have been members of the IAGC for over fifteen (15) years and I currently serve on the data licensing committee and have participated in the development of IAGC's comments on this rule making. GPI supports the IAGC's comments and incorporate them herein by reference.

Our data ownership consists of 18,000 miles of onshore 2D; 2,200 square miles of various onshore and state water 3D data (partnership with WesternGeco); 600 blocks in Garden Banks and Keathley Canyon (Western Gulf of Mexico, WGOM) (partnership with PGS). Our WGOM resources are a significant portion of our company's asset base.

We acquired our 3D data in Garden Banks in 1996-97 and in Keathley Canyon in 1998. PGS has been reprocessing portions of this data over the last year with significant improvements. The replacement costs of this data in the WGOM (715 blocks – 600 partnership/115 owned by PGS and marketed by GPI) exceed 100 million dollars. The investment in the reprocessing exceeds 10 million dollars to date.

We have not recovered our initial costs in Keathley Canyon. These costs consist of 65% of our data in the WGOM. The enhancements to seismic data in the GOM over the foreseeable future will come from data processing.

Very few oil and gas companies are willing to pay the necessary fees for new seismic data to be acquired in the Gulf of Mexico, therefore reprocessing of seismic data will continue to be the key enhancement relating to data. If the time period on these enhancements is from the delivery date in lieu of the permit date, geophysical companies will have much greater incentive to pay for processing products and enhancements over the next 10 years. The availability of these processing enhancements will be very valuable to oil companies and will help them in their evaluation of their prospects in the Gulf of Mexico. Your consideration to the IAGC's recommendations would be greatly appreciated.